

**Commonwealth Of Massachusetts
County Of Dukes County, S.S.
MARTHA'S VINEYARD AIRPORT COMMISSION MEETING**

May 12, 2022, 2:00PM

**Martha's Vineyard Airport Commission Conference Room
and by Zoom Cloud Conference**

Notice of Such Meeting Having Been Posted as Required by Law

Present: Airport Commissioners: Chair - Robert Rosenbaum, Jack Ensor, Richard Knabel,
Donald Ogilvie, Geoffrey Wheeler, Robert Zeltzer,
Kristin Zern*,

Airport Staff: Geoffrey Freeman - Director, Edward Christoforo - Comptroller,
Denise Tawa - Assistant to Airport Management, Joan Shemit - Business Manager

Others: Norm Werthwein - Finance Subcommittee, Marni Lipke – Recorder
McFarland Johnson – Matt O'Brien,

Press: Aidan Pollard – Vineyard Gazette, MVTV, Lucas Thors–MV Times,
* Late arrival or early departure of Airport Commissioners (see * in text)

I. CALL TO ORDER

The Martha's Vineyard Airport Commission (MVAC) meeting was called to order at 2:04PM. Chair Bob Rosenbaum thanked everyone for adhering to Covid pandemic protocols.

II. APPROVAL OF MEETING MINUTES – April 14, 2022 Action

- **MOTION: TO APPROVE THE APRIL 14, 2022 MINUTES AS AMENDED;**
- FIRST: MR. RICHARD KNABEL,**
- SECOND: MR. JACK ENSOR,**
- VOTE: UNANIMOUS: 6 AYES, 0 NAYS, 0 ABSTENTIONS: MR. DON OGILVIE—AYE, MR. BOB ZELTZER—AYE, MR. ENSOR—AYE, MR. KNABEL—AYE, MR. GEOFF WHEELER—AYE, MR. BOB ROSENBAUM—AYE.**

III. FINANCE SUBCOMMITTEE REPORT

• The third quarter Profit & Loss (P&L) showed a healthy surplus; although it's the slowest quarter in terms of revenue and airport activity, this year's negative was not as high as predicted and by late April/early May activity was ticking upward. Accounts receivable continued to be the lowest in some years. Water/wastewater bills at new rates went out last week.

* Ms. Kristin Zern entered the meeting at 2:07PM.

A. Finance Subcommittee Spending Authority (See documents on file.) Action

This authority hierarchy policy gave the Subcommittee discretion to approve expenditures up to \$50,000 on unforeseen items. The Airport Director already had authority to spend up to \$25,000 in budgeted expenses.

- **MOTION: TO APPROVE THE FINANCE SUBCOMMITTEE PROPOSED HIERARCHY AND AUTHORIZE THE FINANCE SUBCOMMITTEE TO APPROVE UNBUDGETED OR UNEXPECTED EXPENDITURES UP TO \$50,000;**

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FIRST: **MR. KNABEL,**
SECOND: **MR. WHEELER,**
VOTE: **UNANIMOUS: 7 AYES, 0 NAYS, 0 ABSTENTIONS: MR. WHEELER—AYE, MR. KNABEL—AYE, MR. ENSOR—AYE, MR. ZELTZER—AYE, MS. ZERN—AYE, MR. OGILVIE—AYE, MR. ROSENBAUM—AYE.**

B. Fiscal Year 2023 (FY23) Budget _____ (See documents on file.) _____ Action

FY22 was a landmark year in terms of activity, so the FY23 Budget was projected to be between FY22 and more standard years. The Subcommittee also requested calculations on MVY Airport share of capital projects, which came to \$758,000—which was within the operating surplus.

- Revenues were estimated at about \$12,000,000.
- Airfield revenues were increased by ~ \$160,000 in terms of the recent rates/charges changes (see 4/14/22 Minutes p.3 #D) pending ongoing negotiations with the airlines.
- Fixed Base Operator (FBO) was set slightly below FY22.
- Fuel Fund revenues reflected price inflation. Staff continued to monitor prices and set margins in comparison with similar regional airports, but taking differing storage capacity into account.
- Non-Aviation Properties showed the 4-7% Consumer Price Index (CPI). There would be additional income from the new lots but terms and lease start timing was as yet unknown.
- Terminal revenues included the rental car Minimum Annual Guarantee (MAG) as well as the airline rates/charges increase.
- Aviation Properties were down in relation to some one-time-only FY22 retro-active payments.
- Wastewater showed the increase to 5¢ per gallon (see 8/12/21 Minutes p2-3 #B).
- Transportation Safety Administration (TSA) was set at the maximum allowed reimbursement.
- Expenses were projected at ~ \$10,000,000 for an operating surplus at \$1,800,000—below FY22's \$2,600,000. If FY23 demand matched FY22, the operating surplus would substantially increase.
- Wages, Employee Benefits and Insurance were based on full employment however the Airport had not recently been completely staffed.
- As above with fuel pricing, the Utilities as well as Supplies increases reflected current inflation.
- Services were slightly increased. The Dukes County allocation placeholder (agreed to be billed quarterly) was similar to FY22.
- Additional Repair costs were needed for aging equipment.
- Other Post Employee Benefits (OPEB) was budgeted at the required payouts (see below: #III C).
- Fuel Fund (see above).
- The cost of the TSA-required additional police officer increased because the Police Reform Act no longer allowed lower paid “specials” but now required fully Academy trained/certified officers.
- There was a brief conversation on shifting funds and responsibilities from an Assistant Director/Manager vacancy into other positions such as Facilities/Grounds Manager, vehicle maintenance supervisor, etc. A new position would be created and the job description submitted to the MVAC.
- Despite spiking demand and indications for a strong summer season, Cape Air and Jet Blue have had to cut the number of flights due to a pilot shortage. This Budget reflected the issue by a \$1,000,000 reduction in revenues.
- In keeping with Finance Subcommittee recommendation:
- MOTION: **TO APPROVE THE FISCAL YEAR 2023 BUDGET AS WRITTEN;**
FIRST: **MR. KNABEL,**

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SECOND: **MS. ZERN,**

VOTE: **UNANIMOUS: 7 AYES, 0 NAYS, 0 ABSTENTIONS: MS. ZERN—AYE, MR. OGILVIE—AYE, MR. WHEELER—AYE, MR. KNABEL—AYE, MR. ENSOR—AYE, MR. ZELTZER—AYE, MR. ROSENBAUM—AYE.**

C. Other Post Employee Benefits (OPEB) Action

(See Minutes: 5/13/21 p.2 #III A, & 12/11/20 p.1-2 #VI D.)

The MVAC had previously resolved that in order to build a reserve and maintain credit standing, it would, if possible, pay a surplus above the required payments. This proposed FY22 contribution included a ~ \$44,000 surplus, but did not set a precedent.

• MOTION: **TO APPROVE A \$100,000 CONTRIBUTION TO THE OTHER POST EMPLOYEE BENEFITS TRUST;**

FIRST: **MR. KNABEL,**

SECOND: **MR. ZELTZER,**

VOTE: **UNANIMOUS: 7 AYES, 0 NAYS, 0 ABSTENTIONS: MR. KNABEL—AYE, MR. MR. WHEELER—AYE, ENSOR—AYE, MR. ZELTZER—AYE, MR. OGILVIE—AYE, MS. ZERN—AYE, MR. ROSENBAUM—AYE.**

IV. LAND USE SUBCOMMITTEE REPORT

• More than 52 Request for Proposal (RFP) packets were picked up. The Subcommittee would review the applications (deadline Friday, May 20th) and submit finalists to the MVAC June meeting.

• The Subcommittee met with taxi companies about general rules, charges, and moving cueing from the front curb to the short term parking lot. The meeting was polite, well attended (in-person and by phone) by 7 or 8 companies and productive for communications and grievances. In a separate requested phone call hearing one company aired the following objections:

◦ pre-arranged calls were free in the past,

◦ Transportation Network Companies (TNCs) paid no fee (unfortunately not within Airport control—see 4/14/22 Minutes p.5);

◦ licensing/pickup had fluctuated with the pandemic (~\$1,750 for 12-15 yrs, then \$750 during Covid, and now with CPI raised to \$2,000).

- The Subcommittee considered, these were small businesses operating at a disadvantage with the TNCs, the pandemic impact was ongoing, and inflation was a factor. Property Manager Kevin Brennan sent a letter reducing the annual fees for Airport Licensing to \$1,000, and pickup to \$500. The next day Atlantic Cab (previously not operating at the Airport) dropped off the fee, insurance, etc. Airport Director Geoff Freeman acknowledged this was a good sign in an area of operations plagued with difficulties, and suggested perhaps continuing the meeting annually.

V. OUTREACH SUBCOMMITTEE REPORT

The Cape Air/David Luening Memorial scholarship (see 5/13/21 Minutes p.2) would be divided between 2 recipients this year: Ms. Kara Hoyt now working her way through Purdue College and a new Martha's Vineyard Regional High School (MVRHS) student to be announced at Senior Night.

VI. MARTHA'S VINEYARD AIRPORT (MVY) DIRECTOR REPORT (See documents on file.)

Mr. Freeman recognized the loss of two former employees: salt of the earth, great co-worker and retiree Paul Ronhock and Mark Badgesian who also worked briefly for the Edgartown Fire Dept.

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A. April Enplanements (See documents on file.)

- Weather affected the April 2022/April 2021 count comparisons: 781 Cape Air passengers, 44.1% over 2021 and Air Traffic Control (ATC) 1,967 total operations up 22% over 2021.
- Two awnings that had deteriorated were replaced by a roof, and the post-TSA-screening tent would be installed shortly.
- The first Electric Vehicle (EV) charging unit (a one-time Eversource grant) was installed and software connection was in progress. Others would be installed in more convenient locations.
- The Airport Safety & Maintenance Program/Massachusetts Department of Transportation Division of Aeronautics (ASMP/MassDOT) 80% funded Crapco Hotshot crack sealing unit would help the Airport in small crack asphalt maintenance: aprons, taxiways, runways, roadways, etc., although MassDOT would continue their larger crack sealing program every other year.
- The new Airport operations truck replaced 2 aging vehicles and would be used for inspections, perimeter patrols, airport maintenance, etc. It was gas powered because EV truck purchases were backlogged for at least a year.
- A Lawrence Lynch/White Brothers paving crew was working on much-needed, long-delayed projects: extending the County Administration Building drive, and Amelia's Way to the hangars and cell tower.
- The Airport was still negotiating with the airlines over the new rates and charges.
- Airport staff, ATC contract tower staff, Cape Air's chief pilot, and a Federal Aviation Administration (FAA) Community Relations representative, had an incredibly productive meeting with communities south of the Airport, discussing noise and pollution impacts, including flying regulations and what could and could not be done. This was the beginning of the Part 150 community outreach process (see 3/10/22 Minutes p.3 #VII A). The MVAC commended Mr. Freeman for the courteous meeting in which everyone learned a lot, and neighbors felt they were heard and acknowledged. Cape Air pledged to continue to work with its current and new pilots.
- The FAA Part 139 inspection was scheduled for May 17th with the same inspector as last year.

VII. CHAIR'S REPORT

- Mr. Rosenbaum reported they continued to consider how to replace retiring Recorder Marni Lipke (see 4/14/22 Minutes p. 5 #IX). June 2022 would be her last meeting. MVAC teasingly expressed their great displeasure at losing her.
- The Dukes County Commission was still researching the legal process of American Rescue Plan Act (ARPA) grant application and distribution (see 3/10/22 Minutes p.3 #VII). No further grant resources were found for the Wastewater Treatment Plant upgrade, although State funding was still expected, and the FAA Regional office contacted the Airport about Airport Rescue and Fire Fighter (ARFF) and commercial airline funding (~ 13% of total flow).
- Mr. Rosenbaum recently spoke with Airport Counsel Dave Mackey on the Airport Fuel Service case(s). Superior Court dismissed all claims against the Airport. AFS filed for reconsideration, which the judge rejected. The case was appealed to the Appellate Court; AFS briefs due in late June, the Airport's in late July, with arguments in fall, and a decision by spring. The appeal was restricted to previously presented information.

VIII. ITEMS NOT REASONABLY ANTICIPATED BY CHAIR - None

IX. PUBLIC COMMENT - None

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X. ANNOUNCE NEXT MEETINGS

- Outreach Subcommittee –2:00PM, Thursday, June 2, 2022
- Land Use Subcommittee -3:00PM, Thursday, June 2, 2022
- Finance Subcommittee - 3:30PM, Friday, June 3, 2022
- Personnel Subcommittee - TBD
- MVAC - 2:00PM, Thursday, June 9, 2022

XI. ADJOURN

MOTION: **TO ADJOURN AT 3:10PM;**

FIRST: **MR. WHEELER;**

SECOND: **MR. ENSOR;**

VOTE: **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS: MS. ZERN—AYE, MR. OGILVIE—AYE, MR. WHEELER—AYE, MR. KNABEL—AYE, MR. ENSOR—AYE, MR. ZELTZER—AYE, MR. ROSENBAUM—AYE.**

Appendix A: Tasks

- Mr. Freeman – consider annual meeting with taxi companies.

Appendix B: Documents on file:

- Agenda 5/12/22
- MVAC April 14, 2022 Draft Minutes (6 p.)
- Authority Levels
- FY23 Operating Budget
- Martha's Vineyard Airport KMVY Traffic Count
- Martha's Vineyard Airport KMVY Revenue Explained Pax Market Share
- Permanent awning photo (2 p.)
- Charging station photo
- Cracksealer photo
- Airport Operations MVY truck photo

Minutes approved 6/9/22